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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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JUL 8 - 1992

RM- 7990

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of )

PETITION BY 34 STATES AND THE )  
NATIONAL ASSOCIATION OF ATTORNEYS )  
GENERALS FOR CLARIFICATION AND )  
MODIFICATION OF PAY-PER-CALL RULES. )

COMMENTS OF SPRINT

Pursuant to Public Notice DA 92-602 released June 2, 1992, Sprint Communications Company L.P. ("Sprint") hereby respectfully submits its comments on the above-captioned petition filed by 34 States and the 900 Number Subcommittee of the Consumer Protection Committee of the the National Association of Attorneys Generals ("States").

In their petition, the States make two requests. First, the States ask that the Commission clarify that its Pay-Per-Call Services Order in CC Docket No. 91-65 (Policies and Rules Concerning Interstate 900 Telecommunications Services, 6 FCC Rcd 6166 (1991)) applies to pay-per-call services that use 800 service. Sprint respectfully submits that such clarification is unnecessary. The Pay-Per-Call Services Order made quite clear that the regulations adopted therein apply to all interstate pay-per-call services as defined in Section 64.709 of the Commission Rules (47 C.F.R. §64.709) regardless of exchange on which such services are offered. Specifically, the Commission stated:

In adopting the modified rule, we are eliminating the opportunity for pay-per-call services to avoid regulation by moving to

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other exchanges. The 900 exchange has all the all the attributes necessary for the provision of information services to the public and the record shows no valid technical or legal reason why the public should be better served by allowing interstate pay-per-call services to be free of regulation simply because they are on an exchange other than 900.

(6 FCC Rcd at 6180, para. 83). See also, AT&T's Response to Petition For Clarification or Modification at 2; MCI's Response to Petition for Clarification and Modification at 1-2. Thus, any rulemaking proceeding instituted by the Commission in response to the States' need not consider the issue of whether to bring 800 service within the scope of the Commission's pay-per-call rules.

The States' second request is that the Commission modify its pay-per-call rules to prohibit interstate carriers from providing 800 services to pay-per-call providers "where consumers are billed by the use of either tone generation technology, automatic number identification or billing detail information" (Petition at 1). The States state that such a prohibition is necessary because of the "proliferation of pay-per-call services which solicit calls by the use of 'free' 800 inward WATS lines" (id. at 2) and which then induce the callers to take certain steps which ultimately result in their being billed for the calls or the services provided on the calls (id. at 2-3).

Sprint believes that the Commission should institute a rulemaking proceeding to examine the use of 800 numbers by pay-per-call providers in the provision of their services, and, if necessary, to fashion appropriate regulations. The documents attached to the States' petition, at a minimum, suggest that the use of 800 services in the provision of pay-per-call services may

create serious problems which the Commission apparently did not consider or address in its CC Docket No. 91-65 proceeding. For its part, Sprint recently implemented tariff revisions banning use of its 800 service to provide pay-per-call services as defined in Section 64.709 of the Commission's Rules because of the potential for abuse by certain pay-per-call providers (See Section 3.5.15 of Sprint's Tariff F.C.C. No. 2).

Sprint would emphasize that any additional rules which the Commission determines are needed to regulate the use of 800 service by pay-per-call providers will need to be carefully drawn so as to continue to exempt 800 numbers used by IXCs in the provision of their calling card services. Such services are excluded from the scope of the pay-per-call rules because they are based upon "the existence of a presubscription relationship" (47 CFR §64.709) and thus as the Commission has explained, "the consumer had an adequate opportunity to obtain information about the costs and benefits of the service at the time of presubscription" (Pay-Per-Call Services Order, 6 FCC Rcd at 6179). The States have not raised any problems associated with the use of 800 numbers to provide calling card services. Moreover, the States appear to recognize that such services should not be included in the modifications to the Commission's pay-per-call rules which they seek (Petition at 7 para. 14).

Sprint is sympathetic to the States' efforts here to correct misuse of 800 numbers but is concerned that the rather broad wording of the States' proposed rule may result in curtailment of 800 services in ways which the States did not intend. As stated,

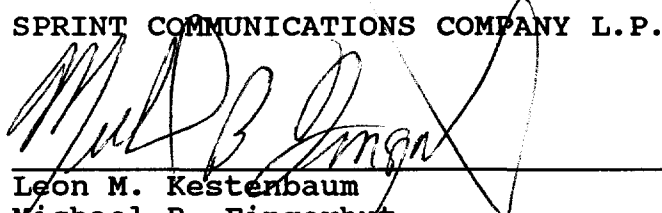
the States propose to prohibit IXCs "from providing 800 number services to pay-per-call providers that use standard, inward WATS services and bill consumers by the use of either tone generation technology, automatic number identification or billing detail as a result of making the 800 number call" (Petition at 5). This rule could be interpreted as encompassing an IXC's calling card service which uses "tone generation technology" to record the subscriber's calling card number for billing purposes. The States' rule, as proposed, may also be read as preventing an IXC from including call detail information (e.g., the ANI of the persons calling the subscriber's 800 number) in the bills provided by the IXC to its 800 service customers. Where rates for services are based upon the length and distance of the call--as in the case of 800 services--IXCs have traditionally provided call detail information in their bills to their 800 customers. The provision of such information enables customers to more accurately audit their bills.

Sprint doubts that the States would seek to upset this arrangement of furnishing the ANI of each caller to an 800 service customer. The provision of such billing information has little utility to pay-per-call providers who are engaged in the types of abuses about which the States' have justly complained. Normally, pay-per-call providers would not want to wait 30 to 60 days to receive ANI data in order to bill callers to their services.

Sprint recognizes that the task of developing regulations which would control, and perhaps eliminate, the problems identified by the States and at the same time continue to permit legitimate and desired uses of 800 services is fraught with difficulty. While certain effects of any regulation can be accurately predicted, other consequences may be unforeseen. Thus, any rulemaking proceeding instituted as a result of the States' petition--and as set forth above, Sprint supports the States' requested proceeding--must carefully examine the use of 800 numbers by pay-per-call providers and establish regulations which are design to control only the abuses discovered.

Respectfully submitted,

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July 8, 1992

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing "Comments Of Sprint" was sent by United States first-class mail, postage prepaid, on this the 8th day of July, 1992, to the below-listed parties:

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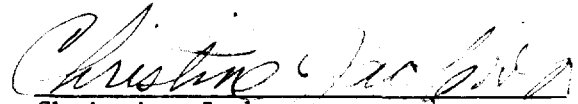
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